

CVR BOARD MEETING MINUTES  
November 12, 2008

Marlene Gonzales  
Michael Madsen  
Brent Scharman  
Louise Speth  
Ron Gordon

Gary Scheller  
Liz Bennis  
JoAnn Huber  
Mark McDermott  
Lori Radcliff  
Dana Thomas

Patti Jensen  
Dianne Snow  
Connie Wettlaufer

Louise Speth convened the meeting at 3:00 pm.

1. Minutes of the August 27, 2008 Board meeting were approved.
2. Review of Claims (Closed Meeting)  
**A motion was made by Brent Scharman, and seconded by Marlene Gonzales, to close the meeting for the review of claims. Motion passed. All in favor.**

A. Claim Number 158631

Ron Gordon

The victim's attorney requested that CVR waive its entire subrogation claim. To date CVR has paid \$16,737.32 in medical expenses on behalf of the victim. The Board reviewed the details of the ongoing insurance settlement negotiations and anticipated future costs as described in a letter from the attorney. **A motion was made and seconded to waive the subrogation and close the claim. Motion passed. All in favor.**

B. Claim Number 164495

Lori Radcliff

The victim has a stalking injunction against her neighbor. For added privacy, needed because of the constant harassment by the neighbor, the victim had a fence installed at the cost of \$3,252.40. CVR covered \$1,500 of that cost. The victim is asking the Board to extend the maximum essential personal property award and reimburse her for the additional \$1,752.40 she paid for the fence. **A motion was made and seconded to reimburse the victim \$876.20 which would be 50% of the additional cost. Motion passed. All in favor.**

C. Claim Number 153827

Liz Bennis

The claim was filed on behalf of two victims of a DUI. To date CVR has paid a total of \$2,012.43 on behalf of the victims. The victim's attorney is requesting a full waiver of subrogation on these claims. **After reviewing the documentation provided by the victims' attorney, a motion was made and seconded to deny the request for a reduction of subrogation. Motion passed. All in favor.**

D. Claim Number 159946

Mark McDermott

A request was received from the victim's attorney asking CVR to reduce its rights of subrogation. CVR has paid out \$707.87 on behalf of the victim. The attorney is asking CVR to accept subrogation in the amount of \$250. **After discussion, a motion was made and seconded to request that \$507.87 be paid back to CVR from the settlement funds. Motion passed. All in favor.**

E. Claim Number 139894

Mark McDermott

The victim is permanently disabled as a result of the crime. He is seeking assistance with the purchase of a vehicle that would be retrofitted with special controls and a winch to lift his wheelchair in and out of the vehicle. **A motion was made and seconded to deny the request for a vehicle but to approve the cost of retrofitting a vehicle if Vocational Rehab does not cover that cost. Motion passed. All in favor.**

F. Subrogation Claim

Ron Gordon

Ron discussed an aggravated assault claim that received the maximum award of \$50,000. He has been contacted by attorneys regarding reduction of CVR subrogation rights. The case has not been settled at this time. At the request of the Board, Ron will inform the attorneys that the Board would be willing to entertain a request for a reduction once information of the settlement is made available.

**A motion was made by Louise Speth, seconded by Michael Madsen, to reopen the meeting. Motion passed. All in favor.**

3. Budget Update

Ron Gordon

Ron reported on the financial crisis facing the State. Agencies are being asked to submit 5% and 10% budget reductions to the Governor's office for study, and the Legislature is looking at restricted fund revenues that could be used toward other budget items. CVR's Legislative Fiscal Analyst has promised to do all he can to help preserve the Trust Fund. Efforts, such as using a medical fee schedule, suggesting that the court component of the V.I.N.E. program be eliminated, and cutting CCJJ grant programs, are being made to show the Legislature that the situation is serious enough that internal cost cutting was needed to survive and maintain integrity of the Trust Fund. Together these three changes could produce around \$1,000,000 in savings this year. Ron is hopeful these efforts will demonstrate that CVR is serious about keeping the status quo and not losing any more money from the Trust Fund to fund other programs. The fund was down around 1.5 million dollars last year. If that trend continues, Ron said it would be necessary for the Board to implement cost containment measures.

4. Essential Personal Property Administrative Rule

Ron Gordon

Ron presented a draft Essential Personal Property rule for Board approval. The change in the rule would establish two separate categories of essential personal property. Medically necessary items would have a cap of \$5,000 and essential personal property would have a cap of \$1500. **A motion was made and seconded to approve the rule change as written. Motion passes. All in favor.**

5. Medical Payment Administrative Rule

Ron Gordon

At the Board's request, Ron filed a rule change to add the 70% payment rate for hospitals and medical doctors to the Medical Awards rule. The rule could now be made effective as written; however, Ron asked the Board to consider another change because the language as written in subsection R207-1-19(4)(b) could adversely affect victims who have health insurance. The subsection would be changed to read: If a claimant has medical insurance or other collateral source for payment of the victim's medical bills, the Office of Crime Victim Reparations shall pay the portion of the eligible medical bills that the claimant is obligated to pay pursuant to the insurance agreement. Resubmitting the rule change would delay the effective date by another month. **A motion was made and seconded to approve the rule with the modified wording. Motion passed. All in favor.**

6. Request for Approval of Funding: The Great Life Foundation Ron Gordon  
The Great Life Foundation is a large group awareness training program. They are requesting that CVR pay the cost of participation in their programs for any victim who has been approved for the compensation program. The primary problems with these type programs are how to determine if a therapist always conducts the treatment, how to determine if the issues addressed in the training are actually related to the crime, and the lack of treatment plans. Ron has received requests from other similar groups that he did not bring before the Board because they were asking for funding from Other Victim Services Grant funds. This group is different in that they want payment through the compensation program similar to mental health treatment benefits. The program does not necessarily ask participants what their issues are, they let them self-identify. This is much different from therapy sessions related to the crime. **A motion was made and seconded to deny the request. Motion passed. All in favor.**
7. Medical Fee Schedule Ron Gordon/Dianne Snow  
Reparation Technician Dianne Snow conducted a study to determine if payments made by CVR at 100% of the billed amount were more, less or in line with payments calculated using the Ingenix National Fee Analyzer which determines the relative value unit for medical codes. Dianne compiled her findings in a chart that showed what a specific billing would have been using different calculation factors such as Medicare averages, national percentiles and geographic conversions. The dollar amount that would have been paid using the Labor Commission Fee schedule was included for comparison. The Board discussed the different calculation methods and decided to pay medical billings at the 70% rate until the end of the fiscal year. Dr. Madsen requested a comparative audit of a small sampling of claims be done at that time to make certain the 70% rate is the best method to use compared to others.

The next meeting is scheduled to be held on February 11, 2009.

The meeting was adjourned.